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Letter of Comment No: 1519  
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**From:** Valerie Meuleners (vmeulene) [vmeulene@cisco.com]  
**Sent:** Thursday, April 22, 2004 1:14 PM  
**To:** Director - FASB  
**Cc:** "Mark Chandler"; savestockoptions@cisco.com  
**Subject:** Please Do Not Expense Stock Options

To the Attention of: Chairman Robert H. Hertz

Dear Chairman Hertz,

The purpose of this email is to urge you and the FASB to NOT move forward with any measure to require the expensing of stock options. The result of such a requirement would have a dramatic and harmful impact on the current economic struggles in the U.S. and a financial disaster for a great many citizens. As the 50 year old single parent of a 5th grader, I have looked to future stock options from Cisco Systems to help fund my daughter's college education as well as investments for my retirement. This is a recurring theme of my friends who are employees in high-tech industry.

I recognize that you and the Board may see this as a corporate accounting issue, but I can assure you that the individual employees see this as a personal financial security issue (as well as an incentive to remain working in the stressful world of high-tech). From an accounting standpoint, the true cost of a stock option is the dilution of EPS and is already accounted for when options are exercised. From a personal standpoint, the loss of stock options (which would be the certain outcome of a ruling in favor of expensing stock options) would be devastating.

Sincerely,  
Valerie Meuleners

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